

SAPC 1836
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15 September 1955

MEMORANDUM FOR THE RECORD

SUBJECT: Telephone Conversation between [REDACTED] 25X1A
[REDACTED] Eastman Kodak, on 15 September 1955, 25X1A
Relative to Project [REDACTED] 25X1A

25X1A
25X1A 1. [REDACTED] called [REDACTED] on this date to discuss several matters
which were the subject of discussion in a meeting on 14 September 1955 in
25X1A Washington, D.C. This meeting was attended by [REDACTED]
25X1A and [REDACTED] for Eastman Kodak Co. and [REDACTED]
[REDACTED] for the Agency.

25X1A
25X1A 2. The first item discussed with [REDACTED] was the usefulness of a
20" continuous paper processing machine vs a 9 $\frac{1}{2}$ " machine. Approval was given
25X1A [REDACTED] to proceed with the 20" model since the prospective need for
25X1A rectified film will require a 20" processor. The 20", in the meantime, can
25X1A serve to process 9 $\frac{1}{2}$ " film until the rectifying equipment is obtained.

25X1A
25X1A 3. The meeting on the 14th developed information that minicard equipment
25X1A needed in Rochester would total some [REDACTED]. The contract (EQ-1806)
25X1A provides [REDACTED] for such minicard equipment. [REDACTED] stated to [REDACTED]
25X1A that he had understood, at the time that the [REDACTED] was placed in the contract,
25X1A that this amount would cover the cost of a complete minicard set up in
25X1A Rochester. He therefore asked [REDACTED] to review the items and costs now
25X1A presented as the Rochester-location-minicard-requirements to determine whether
25X1A all items were needed and whether costs now presented [REDACTED] could be
25X1A reduced. He requested an explanation as to the discrepancy between the original
25X1A [REDACTED] figure and the latest [REDACTED] figure. [REDACTED] promised to review
25X1A the requirements and costs and to present a formal proposal defining the
25X1A minicard requirements and the costs associated therewith.

25X1A
25X1A 4. It was learned at the meeting on the 14th, that the costs of outfitting
the building selected for the processing plant at Rochester would run to some
25X1A [REDACTED] pursuant to recent estimates compiled by Eastman. [REDACTED] stated
25X1A to [REDACTED] that these costs appeared to be excessive and a thorough review
should be made to determine whether or not too elaborate an approach was
25X1A being made in the solution of this problem. [REDACTED] stated that a cost of
25X1A [REDACTED] would appear to be adequate. Specifically, the humidity and temperature
control equipment contemplated should be reviewed to determine whether a simple
air blower type of arrangement to maintain some $\frac{1}{2}$ lbs. pressure inside the

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25X1A building would suffice for dust protection. The machines themselves are
25X1A designed to maintain 68° temperature and humidity could be controlled by
a less expensive method than a complete air conditioning system. [redacted]
25X1A agreed that [redacted] was out of line and promised to review this portion of the
processing plant cost. He agreed that [redacted] was a figure which should be
adequate. This is the figure stated in Contract EQ-1806 for installation of
the equipment and was also meant to cover plant rearrangement costs.

25X1A 5. With respect to procurement of equipment (standard and minicard) and in
25X1A connection with the whole problem of process plant operation, [redacted]
asked [redacted] to determine what premium, if any, we are paying for a plant
25X1A geared to process out a mission in 36 hours, versus, say, 60 hours.
[redacted] stated that it was his feeling we are paying a premium. He promised
to inquire into this aspect and inform us accordingly.

25X1A 6. With respect to the Navy building selected as the process plant, the
meeting of the 14th developed the information that only CPFF work could be
done there under the Navy regulations. Accordingly, the [redacted] in contract
EQ-1806 for installation of equipment (EQ-1806) is a fixed price with redetermination
feature will have to be placed in the CPFF contract to be written for the
process plant operation. However, since we have no proposal from Eastman on the
plant operation, such a proposal must be submitted to us by Eastman before we
can write and fund such a contract. This was explained to [redacted] by
[redacted] and Eastman will forward such a proposal at an early date. Most of
the work of preparing the building will be done by Eastman personnel on a
labor and burden and material basis.

25X1A 7. With respect to the necessity for providing standby power at the
25X1A processing plant to guard against power failures (as raised by [redacted]
on the 14th), [redacted] agreed with [redacted] that auxiliary standby power
25X1A should be made available, if deemed essential by Eastman, and to consider the
problem from this aspect. Probably some 100 kw capacity would be required.

25X1A

[redacted]
Contracting Officer

GFK:mah

25X1A Orig : [redacted] EQ 1806 Master ✓
2 . [redacted] EQ 1806 Service
25X1A 3 - SA/PC/DCI
4 - [redacted]
5 - chrono
6 - reading